

**MINUTES OF THE AUGUST 13, 2015 BOARD MEETING
HIGHLAND COMMUNITY FOUNDATION, INC
LINCOLN CENTER, HIGHLAND, INDIANA**

Invited Guest:

Rich Underkofler introduced State Farm Insurance Agent Marlene Moore, who has expressed interest in becoming a member of our board or one of its committees. Marlene spoke to the group presenting biographical information.

Roll Call:

Vice President Pat Popa called the meeting to order at 6:05 p.m.

Present: Paul Doherty, Richard Krooswyk, Cheryl Nicksic, Abe Rivera, Cecile Petro, Pat Popa, Ed Stone, Richard Underkofler, Judy Vaughn, Dave Wilkinson. Abe Rivera left the meeting at 7 p.m.

Absent: Jim Dal Santo, Kathy Grimler

- **A motion** was made by Pat Popa and seconded by Ed Stone to accept the resignation of Kathy Grimler from membership on the board, public art and engraved brick sales committees. In an email of August 12th Kathy wrote, "With much regret, I must submit my resignation from the board of the Highland Community Foundation. I have made great attempts to remain active on the board, but my time is too limited to give. I wish this foundation much success." Motion passed by unanimous consent.

Minutes:

- **A motion** was made by Richard Krooswyk and seconded by Abe Rivera to approve minutes of the board meeting held May 12, 2015. Motion passed by unanimous consent.

Financial Statements:

- Standard Bank Funds: At July 30, 2015, there was a \$13,935.40 balance in our Operating Fund.
- Legacy Foundation Funds: Legacy Foundation distributes financial statements on a semi-annual basis. At December 31, 2014, there was a \$9,492.96 balance in our Endowment Fund. The fund balance at June 30, 2015 is not expected to be known until mid-August.

Endowment Committee: The committee met July 14th. Draft minutes were forwarded with the agenda documents. The committee recommended three motions pertaining to implementation strategies of our 2015 Development Plan.

- Technical Advisory Committee: **A motion** was made by Cheryl Nicksic and seconded by Judy Vaughn to approve nominations of persons to a Technical Advisory Committee. The committee will consist of professional advisors to help guide preparation of collateral materials and to facilitate educational seminars for potential donors to engage their support for naming our Endowment in wills, trusts and bequests. Board approval was sought before recruitment is initiated. Nominations suggested on a list distributed with the agenda documents were: **Tax & Estate Attorneys** Gary Bonk, Kenneth Wilk, David Mears, John Piersma and Rhett Tauber; **Financial Advisors** Doug Lewis, Matthew Baker, Kathleen Sudac, James O'Hara and Joe Starkey; **Realtors** Mac Elliot, Rob Klein and David Lasser; **Bank Trust Officers** to be referred by Bob Scott of Centier Bank and Michele Anderson of First Financial Bank; **Life Insurance Brokers/Agents** Tom Brown, Tom Crowell, Larry Meyers, Will Hudson and Marlene Moore; **Certified Public Accountants** Mark

Machnic and John Lesniak. Rich Krooswyk asked whether priority should be given to Highland residence. Ed Stone and Dave Wilkinson replied qualifications and experience should be guide the recruitment. Motion passed by unanimous consent.

- Endowment Case Statement: **A motion** was made by Dave Wilkinson and seconded by Rich Krooswyk to approve an endowment case statement. A draft was distributed with the agenda documents. Ed Stone suggested more information should be provided regarding our initial projects and programs proposed for endowment funding. At a session held just prior to this meeting, Endowment consultant Sue Nunn suggested omitting a \$350,000 goal and providing more descriptive information about each priority program in a forthcoming brochure. *Ed Stone moved to table and postpone action on this topic until our next meeting. Motion was seconded by Cheryl Nicksic. Motion passed by unanimous consent.*
- Email Marketing: **A motion** was made by Cecile Petro and seconded by Cheryl Nicksic to retain Mailchimp for prospective donor solicitation. Rich Underkofler reported representatives of other nonprofits participating in Legacy Foundation endowment training give this organization favorable references. Email marketing could supplement direct mail solicitations. Use of the application is “free” for mailings less than 2,000. However, our list of email addresses could be potentially sold and used by third parties for marketing other products and services. More information is available at a website: www.mailchimp.com. *Cecile Petro reported she desires to research other alternatives and moved to table and postpone action on this topic until our next meeting. Motion was seconded by Ed Stone. Motion passed by unanimous consent.*

Other Endowment Committee Activities:

- Fiscal Agent Agreements: The board approved fiscal agent agreements with two local nonprofit organizations (Town Theatre, Inc. and Big Book Legacy Group) to enable their eligibility for grants and tax-deductible charitable contributions. Our Foundation will receive 5% of the value of grants and donations received as a fee for managing and accounting for the funds. We deposit the fee received to our Endowment Fund. Big Book Legacy Group submitted a \$16,000 application for a Legacy Foundation Transform Lake County Grant. At July 28, 2015, Tom DeRolf Memorial Donations for the Town Theatre totaled \$2,365.
- Chi-Cal Rivers Fund Grant: On behalf of the Town of Highland, Rich Underkofler wrote and submitted an application to the National Fish & Wildlife Foundation for a \$152,040 project to inventory and remove diseased Ash Boer trees and replace them with trees that will slow, store and filter rainwater to reduce runoff into sewer systems and help to reduce the discharge of contaminants to the Little Calumet River, the Cady Marsh and Hart Ditch. For a \$7,240 fee to be paid to our Foundation for growing its Endowment, Underkofler would provide grant administration and reporting.
- Endowment Gift Acceptance & Investment Policies: A resolution will be presented at the next board meeting that would adopt the Legacy Foundation Gift Acceptance and Investment Policies as policies for gifts to our Endowment and investment of funds.
- Endowment Donor Recognition: Endowment consultant Sue Nunn suggests we should give annual recognition to major endowment donors by hosting an annual appreciation event.

She recommended giving the major donor group a name. Jim Dal Santo suggested “Highland Legacy Foundation” or “Highland Forever Foundation”. He conveyed suggestions for other names are welcome. *No other names were suggested.*

Engraved Brick Paver Sales Committee:

- After the deadline was extended until May 31st, 58 pavers were ordered and installed, including 19 of the X-Large Size for major donor recognition. Krooswyk Materials is expected to be invoicing \$2,513 for the first order at the request of Unilock Chicago, Inc. For the initial order, the value of income after expense was \$3,538.
- A second procurement is scheduled for submission of orders received by August 31st. It may take up to four weeks for review of proofs and delivery of bricks. *Pat Popa, Rich Krooswyk, Ed Stone, Dave Wilkinson and Cheryl Nicksic pledged to order bricks.*

Public Art Committee:

- Sufficient contributions were received to underwrite the total cost of the Ashley Ritz Memorial Sculpture. The sculpture was delivered and installed July 31st at our 45th Street Project earlier than the contract schedule. Checks were disbursed to Artist Randall Simko for the second and final installment payments. The final payment was given to Simko August 6th upon receipt of a signed and notarized lien release for the \$16,440 value of his contract.
- Simko did not comply with an exhibit to the contract, which among other requirements specified notice to BP Pipeline's Damage Prevention Specialist so he could be present prior to commencing work in BP's pipeline right-of-way. Direction was given to access the site from the 5th Street frontage so that the sculpture installation would not damage work completed by Ambrose Landscape Services. Photos taken after the installation give evidence that equipment accessed the site from the east, pivoted and turned over the pipeline contrary to terms of the BP requirements. Notice was given to Alice Johnson, BP's Coordinator for our Project, who contacted BP Engineering on August 1st asking for emergency stress calculations to determine if a line shut down would be necessary to excavate for a visual inspection. In an August 3rd email, Alice Johnson reported, “There may be an additional assessment required at BP Engineering's discretion”.
- Notice was given to Simko and his insurer that if pipeline damage has occurred, a claim is likely to be made for repair of the damage. Although Simko denies crossing the pipeline with delivery and installation equipment, Kyle Ambrose reported and Underkofler verified, the equipment tracks occurred after top soil had been placed and shaped to final grade prior to the sculpture installation. *At the time of this meeting, BP had not reported whether pipeline damage occurred.*
- The sculpture project budget anticipated just one more expense for a bronze engraved memorial plaque plate to be mounted on the north side of the sculpture column with an inscription “In Memory of Ashley C. Ritz. This sculpture represents her beauty, strength, character and gentle spirit. May all who reflect here be inspired to accept each other for their differences and strengthen the everlasting bonds of friendship and family.”
- ***A motion was made by Judy Vaughn and seconded by Abe Rivera to approve acquisition of an 8" X 6" plaque from International Bronze for \$209.00 including shipping. After reviewing a proof, the motion passed by unanimous consent.***

- A project celebration and dedication event will be planned for Saturday, October 24th at 10 a.m. when we will be turning the 45th Street Greenspace Project and Ashley Ritz Memorial Sculpture over to the Highland Parks & Recreation Department. Gary and Donna Ritz and members of their family including grandchildren will be coming to town to participate. Gary Ritz offered one of Ashley's sisters to be a speaker representing the Ritz family and to underwrite the expense for snack food and beverage. A sound system and tent will be requested from the Parks & Recreation Department. The Public Arts Committee will assume responsibility for invitations.

Oktoberfest Committee:

- **A motion** was made by Cecile Petro and seconded by Judy Vaughn to approve recommendations and an event budget formulated at a committee meeting held July 22nd. Richard Krooswyk, Pat Popa, Ed Stone, Adam Gawlikowski and Rich Underkofler participated in this meeting. Paul Doherty and Judy Vaughn intend to join the committee at its next meeting. Meeting notes, a sponsor solicitation flyer and a recommended budget was distributed with the agenda documents. Approval of the motion authorized a \$1,051.25 disbursement for a Comfort's Catering deposit and other expenses presented in the budget without further board consultation. Board members were encouraged to begin selling tickets and securing contributions for the raffle and silent auction. Tickets were distributed to all board members present. Underkofler will subsequently distribute tickets to Adam Gawlikowski and Jim Dal Santo.

45th Street Landscape Improvement:

- Ambrose Landscape Contract: At its last meeting the board decided to proceed with work valued at \$49,243.25 identified in Change Order No. 5 to the Park Board Contract with Ambrose Landscape Service without reducing the scope of plant material. The board authorized disbursement of an \$18,500 grant to help underwrite the cost. After use of this grant and \$8,921.28 remaining in a Town CIP fund from previous grants, \$21,821.92 was the then current balance due to the Park & Recreation Department to be paid off from future operating revenues.
- Naming Right: BP's Alice Johnson replied to an earlier question submitted to her, "Will you approve granting a naming right to a donor willing to contribute the balance of funding we need to pay off the Park Board for this project?" In a July 31st email Johnson replied, "Not a problem". The Park Board is considering a naming rights policy for its facilities, but it may take up several months for review and approval.
- Pay Request #2: The Ambrose contract work began July 7th and was substantially complete July 31st. The Park Board will be considering a \$35,465 pay request August 20th including a \$615 change order for additional quantities of material at the rain garden; \$4,751.50 will be retained. Grass seeding is scheduled to occur after August 15th when the weather improves.
- Electrical Work: This month Emcor Hyre Electric is expected to be pulling wire through conduit installed last year to serve the irrigation system timer and lighting fixtures. John Vannick d/b/a Pure Illumination has offered to donate labor to install the light fixtures and extend low voltage wire to the fixtures from where Hyre Electric's wire will terminate at a GFCI receptacle for a transformer. \$2,158 was a September 2014 cost estimate for light

fixtures including a transformer with timer; 12/2 Gauge Low Voltage Wire, 5 flood lights at the sculpture and 10 path lights. After a consultation with Alex Brown, we've decided to delete the path lights and install only 4 flood lights on each side of the sculpture. A revised quote was available for review at the meeting, which included five lights at trees.

- **A motion** was made by Judy Vaughn and seconded by Cheryl Nicksic accepting a \$1,658.05 quote presented by Pure Illumination including five up-light fixtures at trees to the left and right of the sculpture. Motion passed by unanimous consent.
- Recognition Plaque: Taghi Arshami, principal of The Arsh Group and landscape design consultant for the 45th Street Project and Sculpture, suggested a plaque on the south side of the sculpture column at the 45th Street Project to identify his firm, Artist Randy Simko and board members of our community foundation. *The board was unwilling to approve additional cost for a recognition plaque.*

Old Business: None

New Business: None

Next Meetings:

- Oktoberfest Committee: Location, date and time will be scheduled by Chair Rich Krooswyk
- Endowment Training: The next Endowment Committee training sessions will be held Thursday, September 24th and Tuesday, November 3rd from 1 to 3 p.m. at the Legacy Foundation Offices in Merrillville. Cecile Petro and Paul Doherty have reported their intent to attend the September 24th session.
- 2015 Oktoberfest: Thursday, October 1, 2015, 6 to 9 p.m., Lincoln Center Banquet Hall
- 45th Street Project Celebration & Dedication: Saturday, October 24th, 10 a.m.
- Endowment Committee: Tuesday, November 3, 2015, Lincoln Center, 6:30 p.m. Endowment Consultant Sue Nunn will meet with the entire Committee at this meeting to review progress and respond to questions on our Endowment Development Plan.
- Next Board Meeting: Thursday, November 12th, Lincoln Center, 6:00 p.m.

Adjourn: The meeting adjourned at 7:27 p.m.

Respectfully submitted,



Richard Underkofler, Secretary